

DE 00-130

CONCORD ELECTRIC COMPANY AND
EXETER & HAMPTON ELECTRIC COMPANY

Request to Extend the Current Conservation Charges
Order Approving Request to Extend Conservation Charges

O R D E R N O. 23,506

June 12, 2000

On June 1, 2000, Concord Electric Company and Exeter & Hampton Electric Company (collectively UNITIL) filed with the New Hampshire Public Utilities Commission (Commission) a Request to Extend the Current Conservation Charges effective July 1, 2000. The Conservation Charge is the surcharge mechanism approved by the Commission to allow UNITIL to recover costs related to its Demand Side Management (DSM) Program. By Order No. 23,359 (December 6, 1999), the Commission approved Conservation Charges designed to recover projected expenditures for the Residential Social Services Program, projected expenditures for ongoing regulatory reporting, recovery of lost base revenues, the addition of approximately \$40,000 for each company for program design, and over/underrecoveries. Previously, by Order No. 22,948, Re Concord Electric Company 83 NHPUC 336 (1998), the Commission allowed UNITIL to phase-out its DSM Program at present, except for the Residential Social Services Program, a program aimed

to provide energy efficiency measures to low-income customers.

UNITIL now requests a continuation of the existing Conservation Charges effective July 1, 2000 and until such time as the Commission issues an order regarding new program plans. UNITIL is awaiting the Commission's decision regarding energy efficiency programs for electric utilities in New Hampshire and the impact of that decision on UNITIL's program. UNITIL is not seeking to change the Conservation Charges at this time since reconciling over/undercollections produces minimal changes to the Conservation Charges and customer bills.

The currently effective Conservation Charges include: a reconciliation of the projected December 31, 1999 over/underrecoveries; projected expenditures for the continuation of the Residential Social Services Program; approximately \$40,000 for each company for program design; ongoing regulatory support; and the recovery of lost base revenues. The Conservation Charges are currently:

	<u>Concord Electric Company</u>	<u>Exeter & Hampton Electric Company</u>
Residential	\$0.00065/kWh	\$0.00053/kWh
Small C&I	\$0.00045/kWh	\$0.00034/kWh
Large C&I	\$0.00024/kWh	\$0.00031/kWh;

On June 9, 1999, Commission Staff (Staff)
recommended that the Commission approve UNITIL's Conservation

Charges; however, Staff restated its concern about the amount budgeted for program design. Staff is unsure whether the \$80,000 is justifiable and recommends that the costs be approved subject to audit and refund if so warranted.

We have reviewed UNITIL's request and Staff's recommendation and will approve continuing the currently effective Conservation Charges. The proposed Conservation Charges are adequate to fund the ongoing costs associated with UNITIL's current DSM program. We continue to agree with Staff's recommendation that the \$80,000 estimated for program design be subject to audit and possible refund; however, we note that all costs incurred by a utility are subject to Commission review.

Additionally, we waive the application of N.H. Admin. Rules, Puc 1203.05(a), which requires generally that rate changes be implemented on a service-rendered basis, and will allow UNITIL to implement its Conservation Charges on a bills-rendered basis. This waiver, pursuant to Puc 201.05, produces a result consistent with the principles embodied in Puc 1203.05(b), which sets forth exceptions for allowing rate changes on a bills-rendered basis, and is in the public interest because it eliminates customer confusion and reduces administrative costs.

Based upon the foregoing, it is hereby

ORDERED, that the following Conservation Charges are

APPROVED:

	Concord <u>Electric Company</u>	Exeter & Hampton <u>Electric Company</u>
Domestic	\$0.00065/kWh	\$0.00053/kWh
Regular General Service	\$0.00045/kWh	\$0.00034/kWh
Large General Service	\$0.00024/kWh	\$0.00031/kWh;

and it is

FURTHER ORDERED, that the Conservation Charges, as detailed above, shall be effective July 1, 2000 on a bills-rendered basis; and it is

FURTHER ORDERED, that UNITIL shall file a compliance tariff with the Commission on or before June 26, 2000, in accordance with N.H. Admin. Rules, Puc 1603.02(b).

By order of the Public Utilities Commission of New Hampshire this twelfth day of June, 2000.

Douglas L. Patch
Chairman

Susan S. Geiger
Commissioner

Nancy Brockway
Commissioner

Attested by:

Thomas B. Getz
Executive Director and Secretary